

BEFORE THE
ILLINOIS COMMERCE COMMISSION

IN THE MATTER OF:)
)
ROUTE 24 COMPUTERS, INC.)
) No. 02-0842
Application for a Certificate)
to become a Telecommunications)
Carrier pursuant to Sections)
13-403, 13-404 and 13-405.)
Chicago, Illinois
January 29, 2003

Met pursuant to notice at 10:00 a.m.

BEFORE :

MR. JOHN RILEY, Administrative Law Judge.

APPEARANCES:

MR. ROBERT KOCH
527 East Capitol Avenue
Springfield, Illinois 62701
Appearing for Staff.

SULLIVAN REPORTING COMPANY, by
Christine L. Kowalski, RPR, CSR

1		<u>I</u> <u>N</u> <u>D</u> <u>E</u> <u>X</u>	
2	<u>Witnesses:</u>	<u>Direct</u>	<u>Re-</u>
3	D. Slagel	<u>Cross</u>	<u>Re-</u>
4		^ #	<u>By</u>
5			<u>Examiner</u>
6			^ #
7		<u>E</u> <u>X</u> <u>H</u> <u>I</u> <u>B</u> <u>I</u> <u>T</u> <u>S</u>	
8	<u>Number</u>	<u>For Identification</u>	<u>In Evidence</u>
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1 JUDGE RILEY: Pursuant to the direction of the
2 Illinois Commerce Commission, I now call
3 Docket 02-0842. This is an application by ROUTE 24
4 Computers, Incorporated, for a certificate to become
5 a telecommunications carrier pursuant to Sections
6 13-403, 13-404, and 13-405.

7 Mr. Slagel, would you state your
8 name and spell it for the record, please.

9 MR. DAVID SLAGEL: Yes. It's David Slagel. The
10 last name is S-, as in Sam, l-a-g-e-l.

11 JUDGE RILEY: Okay.

12 (Witness sworn.)

13 DAVID SLAGEL,
14 called as a witness herein, having been first duly
15 sworn, was examined and testified as follows:

16 EXAMINATION

17 BY

18 JUDGE RILEY:

19 Q. The first thing that I wanted to deal with
20 is the application itself. Do you have a copy of
21 that?

22 A. Yes.

1 Q. And it says on the -- under No. 2 on the
2 front page, Authority Requested, you have checked
3 all three sections 13-403, 13-404, and 13-405. And
4 yet when I went into your testimony, I noted that it
5 says that you're seeking a certificate of authority
6 to provide resold and facilities-based local
7 exchange telecommunications services.

8 A. Uh-huh.

9 Q. 13-403 is for facilities-based
10 interexchange. That's long-distance.

11 A. Right. Yeah, we are not requesting that at
12 this time.

13 JUDGE RILEY: All right. Then let me take your
14 motion to amend the application to reflect that
15 you're only seeking authority under Sections 13-404
16 and 13-405 for local service only.

17 THE WITNESS: Correct.

18 JUDGE RILEY: And that there is no request for
19 authority under 13-403 to provide facilities-based
20 interexchange.

21 THE WITNESS: Right.

22 JUDGE RILEY: All right. And, Mr. Koch, do you

1 have any objection to that motion?

2 MR. KOCH: No, your Honor.

3 BY JUDGE RILEY:

4 Q. Now, Mr. Slagel, is the name that is to
5 appear on the application -- or the name that is to
6 appear on the certificates the same name that
7 appears on the application?

8 A. Yes, it is.

9 Q. That's actually ROUTE 24 Computers,
10 Incorporated; is that correct?

11 A. Correct.

12 Q. Okay. And this is an Illinois corporation?

13 A. Right.

14 Q. And are the books and records kept in
15 Illinois?

16 A. Yes.

17 Q. And referring to your testimony that was
18 prefiled, do you have a copy of that before you?

19 A. Yes.

20 Q. Was that prepared by you or at your
21 direction?

22 A. Yes.

1 Q. And as you review that testimony today,
2 consisting of approximately 20 pages, are there any
3 changes, additions, deletions, or alterations you
4 would make to that testimony?

5 A. No.

6 Q. And, again, with regard to the financial
7 data that has been submitted and which I received by
8 fax from Mr. Koch, is it my understanding again that
9 this -- it's a two-page balance sheet and a two-page
10 income statement.

11 Is it my understanding that these
12 documents are supplemental to what has already been
13 filed on our e-Docket?

14 A. Yes.

15 Q. And there is no change in the validity of
16 the information that was filed on e-Docket; is that
17 correct?

18 A. Right.

19 Q. All right. And I will also include with
20 this the letter of guarantee from the Blue Stem
21 National Bank.

22 A. Okay.

1 Q. And with regard to the management profiles
2 that were submitted on our e-Docket, are there any
3 changes to that that you would make today?

4 A. No.

5 Q. Who will do the technical support for your
6 company?

7 A. We have a technical support department for
8 initial, you know, calls, and then we do also have
9 networking technicians that handle -- we typically
10 do computer networking.

11 Q. All right.

12 A. And, of course, myself.

13 Q. Okay. And your operation is not going to
14 involve operator-assisted services, is it?

15 A. No.

16 Q. And I'm not 100 percent sure of the
17 relevance of this question, but I'm going to ask it
18 anyway: Will you adhere to all federal and state
19 laws with regard to slamming and cramming?

20 A. Yes.

21 JUDGE RILEY: All right. Mr. Koch, that is
22 everything that I have for now. Do you want to

1 begin a cross-examination of the witness?

2 MR. KOCH: Yes. Thank you, your Honor.

3 CROSS-EXAMINATION

4 BY

5 MR. KOCH:

6 Q. Mr. Slagel, on page 18 of your testimony,
7 you indicate that you're requesting a waiver of
8 Part 710 of our Administrative Rules?

9 A. Right.

10 Q. Yet, on question 3 of the application it is
11 not checked off as requesting a waiver. Is it your
12 intention at this time to request the Part 710
13 waiver?

14 A. Yes, we do. I'm not sure how that got
15 missed there.

16 Q. Okay. And turning to page 11 of your direct
17 testimony, and I don't have these questions written
18 out so it might be a little sloppy, bear with me.

19 A. Okay.

20 Q. These are all in regard to compliance with
21 our 911 requirements in Code Part 720 and 725.

22 A. Right.

1 Q. And first, on line 8 you indicate that
2 you'll be reselling emergency services offered by
3 Verizon?

4 A. Correct.

5 Q. And then you refer to Ameritech as the 911
6 system provider.

7 A. Okay. That would typically be Verizon. We
8 have -- Ameritech does, you know, work in Illinois
9 obviously, but we would actually be going through
10 Verizon as our local ILEC.

11 Q. Okay. So what I'm trying to ask is, your
12 response here to the question in your testimony
13 concerning compliance with these Code Parts applies
14 to both the -- offering service in both Verizon and
15 Ameritech's service territories?

16 A. Right.

17 Q. Okay. And you also indicate that it is your
18 ultimate -- you are ultimately responsible for
19 insuring that the underlying carriers compliance
20 (sic) with regard to ROUTE 24's customers?

21 A. Uh-huh.

22 Q. Who at your company will make sure that 911

1 databases are maintained?

2 A. That would be me.

3 Q. Okay. And how often will you provide the

4 underlying carrier with information regarding your

5 911 database?

6 A. That would, I guess, be as necessary.

7 The -- that would happen when a user would -- you

8 know, when we would convert a user over or whatever

9 the case might be.

10 Q. Okay. And you would do so on a daily basis

11 if needed?

12 A. Right.

13 Q. Now, I had a further question concerning the

14 letter of credit that was provided.

15 A. Okay.

16 Q. And basically I want to ask you, how many do

17 you intend on obtaining in the next 12 months?

18 A. In the next year? We're looking at

19 probably -- well, in the next 12 months it would

20 probably be pretty small, in the neighborhood of 30

21 to 50 --

22 THE REPORTER: I couldn't hear what he said.

1 JUDGE RILEY: Excuse me --

2 BY MR. KOCH:

3 Q. Okay. Roughly how many access lines, do you

4 know, at this time?

5 A. No, I don't know.

6 JUDGE RILEY: Gentlemen, I'm afraid the court

7 reporter missed one of the answers, which I'm afraid

8 was my fault.

9 THE REPORTER: In the next 12 months, how many --

10 I didn't even hear the whole question.

11 JUDGE RILEY: It began, In the next 12 months.

12 MR. KOCH: Repeat your answer, David.

13 THE WITNESS: My answer? In the next 12 months,

14 we're anticipating around 30 to 50 business

15 customers.

16 THE REPORTER: Thank you.

17 JUDGE RILEY: Thank you. And then the next

18 question was roughly how many access lines.

19 THE WITNESS: Right, which we were unsure of at

20 this time.

21 BY MR. KOCH:

22 Q. Would they mainly be small- to medium-sized

1 businesses that you would be providing service to?

2 A. Yes.

3 Q. Okay. And do you intend to provide
4 facilities initially with your -- upon obtaining
5 your certificate?

6 A. Not initially. We plan to start out
7 initially doing -- providing on a resell basis and
8 eventually move into UNE-P platform and then going
9 to facilities-based down the road.

10 Q. Do you have a time table at this point?

11 A. Not specifically, no.

12 MR. KOCH: Okay. I have no further questions.

13 JUDGE RILEY: All right. Thank you very much,
14 Mr. Koch.

15 Let me deal with some of the
16 exhibits. Let's start with the testimony as filed
17 on e-Docket. Let's mark that as Applicant's
18 Exhibit 1.

19 (Whereupon, Applicant's
20 Exhibit No. 1 was
21 marked for identification
22 as of this date.)

1 JUDGE RILEY: And I will take your motion to
2 admit that into evidence.

3 Mr. Koch, would you have any
4 objection to that?

5 MR. KOCH: No, your Honor.

6 JUDGE RILEY: All right. And it is -- Exhibit 1
7 is so admitted.

8 (Whereupon, Applicant's
9 Exhibit No. 1 was
10 admitted into evidence
11 as of this date.)

12 JUDGE RILEY: Applicant's Exhibit 2 would be the
13 biographical profiles that were submitted on the
14 e-Docket without change.

15 (Whereupon, Applicant's
16 Exhibit No. 2 was
17 marked for identification
18 as of this date.)

19 JUDGE RILEY: And, again, I'll take the motion to
20 admit those into evidence.

21 Any objection, Mr. Koch?

22 MR. KOCH: No, your Honor

1 (Whereupon, Applicant's
2 Exhibit No. 2 was
3 admitted into evidence
4 as of this date.)

5 JUDGE RILEY: And Applicant's Exhibit 3 would be
6 the financial data filed on e-Docket plus the hard
7 copies that are supplemental to that information
8 that were faxed to me by Mr. Koch.

9 (Whereupon, Applicant's
10 Exhibit No. 3 was
11 marked for identification
12 as of this date.)

13 JUDGE RILEY: And, again, I'll take the motion to
14 admit all of those into evidence.

15 Any objection, Mr. Koch?

16 MR. KOCH: No, your Honor.

17 (Whereupon, Applicant's
18 Exhibit No. 3 was
19 admitted into evidence
20 as of this date.)

21 JUDGE RILEY: And the last order of business that
22 I had is that on the face of the application again

1 under No. 3, Mr. Slagel, you testified that failure
2 to mark Part 710 as a waiver request was an
3 oversight on someone's part.

4 THE WITNESS: Correct.

5 JUDGE RILEY: Then let's amend the face of the
6 application to reflect that you are requesting a
7 waiver of Part 710. Is that essentially correct?

8 THE WITNESS: Yes.

9 JUDGE RILEY: Okay. Then the application is so
10 amended. That is everything that I had.

11 Mr. Slagel, did you have anything
12 further?

13 THE WITNESS: No, your Honor.

14 JUDGE RILEY: All right. Mr. Koch, did you have
15 anything further?

16 MR. KOCH: No, your Honor.

17 JUDGE RILEY: Thank you. Mr. Koch, with regard
18 to the recommendation, does Staff have one with
19 regard to this application?

20 MR. KOCH: Yes, your Honor. Staff sees no reason
21 why this application could not be granted.

22 JUDGE RILEY: Thank you very much.

1 Then I will direct the court
2 reporter to mark this matter heard and taken.
3 MR. KOCH: Thank you, your Honor.
4 JUDGE RILEY: Thank you very much, gentlemen.
5 MR. KOCH: Thank you, your Honor.
6 HEARD AND TAKEN. . . .
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